



State of Louisiana
DIVISION OF ADMINISTRATION
OFFICE OF HUMAN RESOURCES

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DIVISION OF ADMINISTRATION

PERSONNEL POLICY NO. 51

EFFECTIVE DATE: July 15, 2002; Revised: May 15, 2003

SUBJECT: Direct Deposit of Employee Wage and Compensation Payments

AUTHORIZATION:

Whitman J. Kling, Jr., Deputy Undersecretary

I. POLICY:

In accordance with R.S. 39:247 and R.S. 42:455, it is the policy of the Division of Administration that all new employees be required to receive wage and compensation payments via direct deposit or other approved electronic means into the new employee's bank account(s) at an approved financial institution(s), unless an official waiver has been requested and approved. This requirement is stated on the pre-employment form titled "Conditional Offer of Employment". No applicant will be given an unconditional job offer until and unless he/she has signed the Conditional Offer of Employment form and met all the conditions set forth in the form.

II. PURPOSE:

The purpose of this policy is to set a requirement for new employees paid by the Division of Administration to have direct deposit of wage and compensation payments and to establish guidelines for enforcement of this rule.

Issuing payroll checks includes the cost of purchasing, processing, and distributing checks. The use of direct deposit could result in cost savings to the state by reducing such operating and processing costs, providing increased control over funds, and greatly reducing expenses for reconciliation of payroll accounts. Implementing such a system provides convenience and security to the state's employees by eliminating the risk of lost or stolen checks, facilitating timely deposit of paychecks regardless of vacation or illness, providing enhanced confidentiality of payroll information, and making the funds available to the employee on payday.

III. DEFINITIONS:

Compensation - any form of monetary wage and compensation pay issued to an employee for services performed.

Conditional Offer of Employment Form - a form, OF-722, Conditional Offer of Employment, available from the Office of Human Resources (**OHR**). This form informs an applicant of the nature of the employment (temporary, permanent, probationary), that an unconditional job offer will not be made until and unless he/she has taken and passed a drug screen, agrees to direct deposit of wage and compensation payments, agrees to allow DOA to recoup any funds paid in error to the employee after receiving prior notification of the error, has been determined to meet the Civil Service Minimum Qualification Requirements for the job in question, is eligible for the salary under consideration, has registered with the Selective Service (if appropriate), and any other conditions applicable to the position in question.

Direct Deposit - the automatic deposit, through an approved form of electronic transfer of funds, of employees' wage and compensation payment into a checking or savings account at an approved bank, savings and loan, or credit union of their choice.

Direct Deposit Enrollment Authorization Form - a form, OSUP/F12A, used to establish direct deposit of net pay into the employee's primary bank account at an approved financial institution.

Employee Administration (EA) - the Unit within the Office of Finance and Support Services (**OFSS**), whose responsibility includes employees' payroll and benefits.

Office of State Uniform Payroll (OSUP) - a section of the **DOA** where the final decision will be made regarding a request for waiver of the requirement for direct deposit.

Waiver - authorization by **OSUP** for an exception to the enforcement of this rule.

Waiver Form - the standard form, OSUP/F46, Request for Direct Deposit Waiver, developed by **OSUP**, completed by the applicant/employee to request a waiver of the requirement for direct deposit. This form may be obtained from **EA** or **OHR** and/or the **OSUP** website (www.doa.state.la.us/osup/osup.htm).

IV. PROCEDURE:

A. Interview Process

During the interview process, the section representative shall inform all applicants that, if selected for a conditional offer of employment, the following conditions must be met prior to being made an unconditional offer of employment: taking and passing a drug screen, meeting all qualification requirements of the position, confirmation of pay eligibility, agreeing to direct deposit of wages and compensation, agreeing to the DOA recoupment of funds made in error and any other condition applicable.

B. Conditional Offer of Employment

Once an applicant is selected, the section representative shall complete the form **Conditional Offer of Employment Form**, OF-722, and present to the selected applicant if possible. If the section representative does not see the applicant in person, but rather calls the applicant to make the conditional offer, the section representative shall deliver the **Conditional Offer of Employment Form**, OF-722, to OHR (via FAX, messenger mail, hand delivery, etc.). The **Conditional Offer of Employment Form**, OF-722, must have the signature of a section representative in order for OHR to call the selected applicant in for drug testing.

No manager or supervisor shall make an unconditional job offer to any applicant prior to being informed by a staff member of **EA** that the applicant has met all conditions of employment and may be offered an unconditional job offer.

C. Drug Testing

Staff of OHR will call the applicant to report for the drug testing process. The applicant will be reminded to bring a voided check for the account into which direct deposit is desired. When the applicant appears, he/she will be asked to read and sign the **Conditional Offer of Employment Form**, OF-722, if not already accomplished. The applicant will be asked to provide a voided check and complete the **Direct Deposit Enrollment Authorization Form**. If completed, the **Direct Deposit Enrollment Authorization Form** will be forwarded to **EA**. If the drug test results are negative, OHR will notify **EA** of the results. If the drug test results are positive, OHR will notify the section that the applicant is not eligible for employment. OHR will send a letter to the applicant informing him/her that all the conditions of employment were not met and the conditional offer of employment is revoked.

D. Upon Employment

Once the applicant has met all of the conditions outlined in the conditional offer of employment, **EA** will notify the section that the applicant may be offered the job and a start date secured. The applicant will be informed by the section representative that he/she may report to work and to bring to work on the first day, a voided check for the account into which direct deposit is desired. If not already completed, the new employee must complete a Direct Deposit Enrollment Authorization - Main Bank (Primary Account) Form, OSUP/F12A, Other Bank (Secondary Account) Form, OSUP/F12B, as applicable, no later than two working days after his/her first work date. The Direct Deposit Enrollment Authorization Form is available from **EA** and is available on the **OSUP** website (www.doa.state.la.us/osup/osup.htm). Completed forms are to be returned by the section head to **EA** no later than two working days after the employee's first work date.

E. Request for Direct Deposit Waiver

Applicants and/or employees may request a waiver of the requirement for direct deposit by completing and submitting a Request for Direct Deposit Waiver Form, OSUP/F46, which is available from **EA** or **OHR** and/or the **OSUP** website (www.doa.state.la.us/osup/osup.htm).

The **EA** Unit is required to submit all completed Request for Direct Deposit Waiver Forms to the Appointing Authority or his delegate. If the request is approved by the appointing authority or his delegate, the request will go forward to **OSUP** for final approval/denial. **OSUP** will notify **EA** of the final decision on the request, **EA** will notify the section head of the final decision on the request. The section head will notify the applicant/employee of the decision.

All requests will be approved or denied based on reasonableness of the request. Waivers may be approved for geographical barriers, physical/mental disability barrier, or inability to establish an account at any financial institution.

If the request is approved, the employee will receive hard copy paychecks at the address he/she provides to **EA**.

If the request is **denied**, the applicant may decide to withdraw his/her name from consideration for employment. The employee already at work (who has agreed to direct deposit should the waiver be denied) will complete the Direct

Deposit Enrollment Authorization - Main Bank Form, OSUP/F12A, if he/she has not already done so. An employee who fails to timely complete and submit the form will not receive wages and/or compensation. That employee's wages and compensation payments will be placed in a holding account until such time the employee completes the form, it is forwarded to EA, and the process is completed to established direct deposit.

F. Direct Deposit of Employee Pay to a Third Party's Account

Direct deposit of employee pay cannot be set up to go to a third party's account. This includes any account where the employee is not named on the account. Exceptions may be made by the employing agency for deposits to the account of a dependent of an employee for whom the employee is a parent/guardian, or to the account of a parent/guardian when the employee is a dependent of that parent/guardian.

V. RESPONSIBILITY:

Deputy/Assistant Commissioners are responsible for:

Holding accountable the section heads under their supervision for adhering to all aspects of this policy.

Section heads are responsible for:

Forwarding the Conditional Offer of Employment Form, OF-722, containing the section head or his delegate's signature to the **Office of Human Resources**.

NOTE: If necessary **OHR** will obtain the applicant's signature on the form when the applicant reports to **OHR** for the drug test application.

Assuring that no applicant is made an unconditional job offer and that no applicant reports to work until and unless the section head has been notified by **EA** that the employee has met all the conditions set forth in the Conditional Offer of Employment Form.

Holding managers/supervisors accountable for adherence to all aspects of this policy.

Working through managers and supervisors to assure that each new employee completes the Direct Deposit Enrollment Authorization Form, OSUP/F12A, and that

the completed form is received by **EA** no later than two working days after the employee's first work date (unless a request for waiver is approved.)

Forwarding any completed waiver forms to **EA**.

Notifying the applicant as soon as possible of the result of the request for waiver of direct deposit.

The Employee Administration Unit of the Office of Finance and Support Services is responsible for:

Notifying the section when and if the applicant has met all of the conditions of the conditional offer of employment and may be made an unconditional offer of employment.

Forwarding waivers to the Appointing Authority or his delegate for approval.

Notifying the section head of the final decision on the waivers.

Maintaining an employee's/applicant's direct deposit form or the approved waiver within his/her employee payroll records, with a notation as to when the section head was notified of the waiver status.

The Office of Human Resources is responsible for:

Securing the signature of the applicant on the Conditional Offer of Employment Form, if necessary.

Providing the applicant with the direct deposit form and, if requested, a request for direct deposit waiver.

Maintaining the Conditional Offer of Employment Form.

VI. QUESTIONS:

Questions regarding this policy should be directed to the Office of Finance and Support Services.

VII. EXCEPTIONS:

There will be no exceptions to this policy.

VIII. VIOLATIONS:

Any employee found to have violated this policy will be subject to disciplinary action.